

## Message Text

CONFIDENTIAL

PAGE 01 JIDDA 05708 161344Z  
ACTION NEA-10

INFO OCT-01 ISO-00 SS-15 SP-02 EB-08 L-03 INR-07  
OMB-01 TRSE-00 /047 W  
-----052419 161357Z /50  
R 161322Z AUG 77  
FM AMEMBASSY JIDDA  
TO SECSTATE WASHDC 9312

C O N F I D E N T I A L JIDDA 5708

E.O. 11652: GDS  
TAGS: EFIN, SA  
SUBJECT: REPRESENTATIONS ON SAUDIZATION OF CITIBANK

REF (A) JIDDA 4961, (B) JIDDA 4047, (C) JIDDA A-62,  
(D) STATE 172744

1. SAUDI COUNCIL OF MINISTERS ACTION ON SAUDIZATION OF BANKS  
WAS IN FORM OF RESOLUTION, AS REPORTED OUR 4047, AND NOT  
DECREE AS MISTAKENLY STATED ON OUR 4961. RESOLUTION WAS  
APPARENTLY ORAL AND HAS NOT BEEN ISSUED AS OFFICIAL SAG  
DOCUMENT TO BEST OF OUR KNOWLEDGE.  
WE BELIEVE, HOWEVER, THAT SAG DECISION, WHICH WAS  
WIDELY PUBLICIZED IN PRESS, HAS THE SAME FORCE AS REGULATION  
AND THAT IT WOULD BE FUTILE FOR CITIBANK TO PUSH THE LEGAL  
DISTINCTIONS.

2. FOLLOWING IS PROPRIETARY INFO:  
CITIBANK HAS MADE AVAILABLE TO US TEXT OF LETTER IT HAS  
RECEIVED FROM SAMA DEPUTY GOVERNOR AL QUSAYBI. AFTER OPENING  
GENERAL EXPLANATION OF SAG'S BANK SAUDIZATION POLICY, LETTER  
CONCLUDES WITH FOLLOWING PARAGRAPH. QUOTE:

THE AGENCY WISHES TO INFORM YOU THAT THE GOVERNMENT HAS  
TAKEN AN OFFICIAL DECISION TO THE EFFECT THAT ALL FOREIGN  
BANKS OPERATING IN THE KINGDOM MUST CONVERT THEMSELVES  
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TO JOINT BANKING VENTURES WITHIN A MAXIMUM PERIOD OF ONE  
YEAR AS OF 11 JUMADA II 1397 (29 MAY 1977). ACCORDINGLY,  
YOU SHOULD BEGIN TAKING THE NECESSARY MEASURES IN THIS  
CONNECTION AND SHOULD ADVISE THE ORGANIZATION, AS SOON  
AS POSSIBLE, OF YOUR PROGRAM REGARDING THE CONVERSION  
OF YOUR BANK TO A JOINT BANKING VENTURE. IN CASE YOU  
NEED ANY FURTHER INFORMATION PERTAINING TO THE CON-

VERSION PROGRAM, YOU MAY CONTACT MR. UMAR SAJJINI,  
THE DIRECTOR GENERAL OF BANK CONTROL AND THE AGENCY'S  
CONSULTANT, MR. SAID AHMAD. END QUOTE.

3. CITIBANK OFFICIALS HERE SAY THEY EXPECT THAT  
CORPORATE OFFICIALS WILL COME TO RIYADH AFTER RAMADAN  
TO ATTEMPT TO REOPEN NEGOTIATIONS WITH SAMA AND PERHAPS  
OTHER SAG OFFICIALS.  
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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** BANK NATIONALIZATION, DIPLOMATIC REPRESENTATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 16-Aug-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 22 May 2009  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977JIDDA05708  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Expiration:**  
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**Original Handling Restrictions:** n/a  
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**Reference:** 77 JIDDA 4961, 77 JIDDA 4047, 77 JIDDA A-62, 77 STATE 172744  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
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**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1591675  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** REPRESENTATIONS ON SAUDIZATION OF CITIBANK  
**TAGS:** EFIN, SA, CITIBANK  
**To:** STATE  
**Type:** TE  
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**Review Markings:**  
Margaret P. Grafeld  
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